



An Bille Leasa Shóisialaigh, 2016
Social Welfare Bill 2016

Meabhrán Mínitheach
Explanatory Memorandum



AN BILLE LEASA SHÓISIALAIGH, 2016
SOCIAL WELFARE BILL 2016

EXPLANATORY MEMORANDUM

Introduction

Main Provisions

This Bill is designed to give legislative effect to a range of Social Welfare measures announced in the Expenditure Report of 11 October 2016, including increases in weekly welfare rates. The measures in question provide for increases in the weekly rates of pensions, benefits and allowances and proportionate increases for qualified adult dependants. The rate increases for all schemes will come into effect over a two week period. The operative dates in the Bill vary between individual schemes to reflect the position that some schemes are payable in advance while others are paid in arrears. All increases will be paid in either week ending March 10th or week ending March 17th 2017.

The Bill also extends eligibility for Invalidity Pension and Treatment Benefit to persons paying the class S (self-employed) rate of PRSI. In addition, the Bill increases the income disregards for the One-Parent Family Payment and Farm Assist schemes. The Bill also contains a series of non-Budgetary and technical amendments to the Social Welfare Consolidation Act 2005.

The Bill contains 23 sections together with two Schedules.

Definitions

Section 1 provides for definitions of terms used in the Bill.

Carer's Allowance

Section 2 provides for the amendment of the definition of a "qualified adult" in the Act to formally provide that, as has been the policy intent and practice since the introduction of the half-rate Carer's Allowance payment in 2007, a person in respect of whom an increase for a qualified adult is being paid is not disqualified from receipt of a half-rate Carer's Allowance in his/her own right.

Paternity Benefit

Section 3 provides for the addition of Paternity Benefit to the list of schemes for which class S contributions (payable by self-employed persons) are reckonable.

Invalidity Pension

Section 4 provides for the extension of eligibility for Invalidity Pension to self-employed persons.

Illness Benefit

Section 5 provides for a technical amendment to the legislation governing entitlement to Illness Benefit which copper-fastens the existing practice and policy intention whereby the rate of payment to a claimant is held constant for a period of 312 benefit days (one year).

Maternity Benefit

Section 6 provides for an increase of €5 in the weekly rate of Maternity Benefit with effect from 13 March 2017.

Adoptive Benefit

Section 7 provides for an increase of €5 in the weekly rate of Adoptive Benefit with effect from 13 March 2017.

Paternity Benefit

Section 8 provides for an increase of €5 in the weekly rate of Paternity Benefit with effect from 13 March 2017.

Treatment Benefit

Section 9 provides for the extension of Treatment Benefit to the self-employed and the extension of treatments under the Dental and Optical schemes to both employed and self-employed contributors.

One-Parent Family Payment and Blind Pension

Section 10 is a provision to allow lone parents who were in receipt of One-Parent Family Payment (OFP) and Blind Pension to retain their OFP payment until their youngest child turns 16.

Supplementary Welfare Allowance

Section 11 provides for an amendment of the definition of a “qualified child” for the purposes of the Supplementary Welfare Allowance scheme to provide that the qualified child must be ordinarily resident in the State.

Child Benefit

In order to facilitate reviews of entitlement where Child Benefit is payable in accordance with EU Regulations, **section 12** provides for an amendment to require employers to provide information in relation to Child Benefit claims.

Back to Work Family Dividend

Section 13 provides that Maternity, Health and Safety, Adoptive and Paternity Benefit may be paid concurrently with the Back to Work Family Dividend.

Paternity Benefit

Section 14 provides for regulatory making powers to allow the Minister to prescribe a specified time for making a Paternity Benefit claim.

Payment to persons other than claimant or beneficiary

Section 15 provides for the amendment of regulatory making powers relating to the nomination of agents to enable certain restrictions, as provided for in the Department of Social Protection/An Post protocol, to be applied when appointing temporary agents.

Garda Síochána – powers and duties of Social Welfare Inspectors

Section 16 provides for the amendment of two references in the Act relating to the secondment of members of the Garda Síochána to the Department to exercise the powers and duties of a social welfare inspector to confirm that the Garda is seconded “to the Minister”, rather than “by the Minister”.

Employments

Following the accession of Romania and Bulgaria to the EU in January 2007 there was a transitional period, which extended until the end of 2011, during which nationals of those countries were, largely, required to have an employment permit. **Section 17** provides that contracts of service in the State involving Romanian and Bulgarian nationals and their family members during the transitional period will now fall within the categories of employments where a person is regarded as an “employed contributor”. PRSI contributions paid by Romanian or Bulgarian “employed contributors” during the transitional period will, consequently, be recognised as valid.

Social insurance benefits (new rates)

Section 18 along with Schedule 1 provide for new rates in relation to social insurance benefits. Maximum rates of weekly insurance-based pensions and benefits including State Pension (Contributory), Widow’s, Widower’s and Surviving Civil Partner’s (Contributory) Pension, Invalidity Pension, Carer’s Benefit, Health and Safety Benefit, Illness Benefit, Injury Benefit, Disablement Pension, Death Benefit, Jobseeker’s Benefit and Deserted Wife’s Benefit are to be increased by €5, with proportionate increases for those in receipt of reduced rate payments. Proportionate increases for qualified adult dependants are also provided for. Recipients of Guardian’s Payment (Contributory) will receive an increase of €15 per week.

All recipients of State Pension (Contributory) will receive the increased rate of payment in week ending 10th March 2017. Persons who have attained pensionable age (66 years) and are in receipt of Widow’s, Widower’s, Surviving Civil Partner’s (Contributory) Pension, Death Benefit or Deserted Wife’s Benefit will also receive the increased rate of payment in week ending 10th March 2017 while recipients of those payments who are under 66 years will receive the increase in week ending 17th March 2017. In respect of the other schemes, the increased rates come into effect in week ending 17th March 2017.

GLAS scheme

Section 19 provides for the inclusion of a reference to the Green, Low-Carbon, Agri-Environment scheme (GLAS) operated by the Department of Agriculture, Food and the Marine in the relevant Schedule to the Act in order to provide that income from this scheme shall be partially disregarded in assessing means for social assistance payments.

Farm Assist

Section 20 provides for the reintroduction of the income disregards and tapering arrangements which applied to the Farm Assist scheme before Budget 2012.

This measure comes into effect from 8 March 2017.

One-Parent Family Payment

Section 21 provides for an increase in the earnings disregard for the One-Parent Family Payment scheme from €90 to €110 per week.

This measure comes into effect from 5 January 2017.

Social assistance payments (new rates)

Section 22 along with Schedule 2 provide for new rates in relation to social assistance payments. Maximum weekly allowances including State Pension (Non-Contributory), Widow’s, Widower’s and Surviving Civil Partner’s (Non-Contributory) Pension, Jobseeker’s Allowance, Disability Allowance, Blind Pension, Carer’s Allowance, One-Parent Family Payment, Jobseeker’s Transitional Payment, Deserted Wife’s Allowance,

Supplementary Welfare Allowance and Farm Assist are to be increased by €5, with proportionate increases for those in receipt of reduced rate payments. Proportionate increases for qualified adult dependants are also provided for. Recipients of Guardian's Payment (Non-Contributory) will receive an increase of €15 per week.

All recipients of State Pension (Non-Contributory) will receive the increased rate of payment in week ending 10th March 2017. In respect of the other schemes the increased rates come into effect in week ending 10th March 2017 for those who have attained pensionable age (66 years) and in week ending 17th March 2017 for the remainder.

Short title, construction and commencement

Section 23 provides for the short title of the Bill, its construction and the commencement of sections 4 and 9 by way of commencement order.

*An Roinn Coimirce Sóisialaí,
Samhain, 2016.*